

APPEAL BRIEF UNDER 37 C.F.R. § 41.37

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**PATENT**

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re Application of: Steven Lundberg

Examiner: Ella Colbert

Serial No.: 09/240,456

Group Art Unit: 3624

Filed: January 29, 1999

Docket: 684.002US1

For: IMPROVED COMPUTERIZED PATENT AND TRADEMARK FEE PAYMENT  
METHOD AND SYSTEM

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**APPEAL BRIEF UNDER 37 CFR § 41.37**

Mail Stop Appeal Brief- Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

The Appeal Brief is presented in support of the Notice of Appeal to the Board of Patent Appeals and Interferences, filed on April 26, 2006, from the Final Rejection of claims 1-16 of the above-identified application, as set forth in the Final Office Action mailed on January 26, 2006.

The Commissioner of Patents and Trademarks is hereby authorized to charge Deposit Account No. 19-0743 in the amount of \$250.00 which represents the requisite fee set forth in 37 C.F.R. § 41.20(b)(2). The Appellants respectfully request consideration and reversal of the Examiner's rejections of pending claims.

## **I. REAL PARTY IN INTEREST**

The real party in interest of the above-captioned patent application is the assignee,  
PATENT AND TRADEMARK FEE MANAGEMENT, LLC.

## **2. RELATED APPEALS AND INTERFERENCES**

A Notice of Appeal was filed on August 23, 1999 for Serial No. 09/378,865 (Attorney Docket No. 684.004US1).

### **3. STATUS OF THE CLAIMS**

The present application was filed on January 29, 1999 with claims 1 through 48. A non-final Office Action was mailed on October 9, 2002. A second non-final Office Action was mailed on April 9, 2003. A Final Office Action was mailed December 23, 2003. In an amendment and response to the Final Office Action, filed March 23, 2004, claims 17 through 48 were withdrawn. An Advisory Action was mailed May 17, 2004 and an RCE was filed May 24, 2004. A non-final Office Action was mailed August 11, 2004. A second RCE was filed February 11, 2005. A non-final Office Action was mailed May 10, 2005 and a Final Office Action on January 26, 2006.

As of the filing of the present Appeal Brief, claims 1-48 are pending. Claims 17-48 are withdrawn from consideration. Claims 1-16 stand finally rejected and are the subject of the present Appeal.

Applicant reserves the right to pursue withdrawn claims 17-48 in a later continuation or divisional application.

#### **4. STATUS OF AMENDMENTS**

No amendments have been made subsequent to the Final Office Action dated January 26, 2006.

## **5. SUMMARY OF CLAIMED SUBJECT MATTER**

The Applicant's claim 1 and its dependent claims pertain to a "recirculating retainer" system and computerized method that, in one embodiment, provides at a high level for the following (for example as shown on pages 42-43 and in the corresponding flow charts and claims as filed):

- an **organization independent of a law firm** establishes a **client account** (for instance funds held in a bank account) to hold **funds** to be used to pay an agency a fee on behalf of a client, such as for filing a patent application;
- the "retainer" **funds** are provided initially by the client (the funds in this respect are like a retainer, but not necessarily governed by ethics rules that require the firm to manage the funds in a certain way because the **independent organization** as opposed to the law firm is holding the funds);
- a law firm uses these **funds** to pay, for instance but not by way of limitation, a **particular fee** to an agency, as noted above;
- the **independent organization** then invoices the law firm for the amount of the **particular fee** in order to **replenish the funds** for the amount of the **fee**;
- the law firm in turn invoices the client for the amount invoiced by the **independent party**;
- eventually the **client** pays the **law firm**, and the law firm in turn (not necessarily after the client pays) pays the **independent organization**;
- the **independent organization** then puts the **replenished** amount back in the **funds** for the **client**, thereby causing the **recirculation** of the amount used back to the funds.

None of the prior art known to the Applicant teaches the notion of such a recirculating retainer where an independent organization holds retainer funds and bills the law firm in order to cause the replenishment of those funds by the law firm invoicing the client and in turn replenishing the funds in the retainer using client funds paid back to the law firm.

## **6. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL**

Claims 1-16 were rejected under 35 USC § 112, first paragraph, as failing to comply with the written description requirement.

Claims 1-14 were rejected under 35 USC § 103(a) as being unpatentable over Remington et al. (U.S. Patent No. 6,070,150) in view of Brown (WO 96/10235).

Claims 15 and 16 were rejected under 35 USC § 103(a) as being unpatentable over Remington et al. (U.S. Patent No. 6,070,150) in view of Brown (WO 96/10235) further in view of Egendorf (U.S. Patent No. 5,974,221).



## 7. ARGUMENT

### Introduction

As noted above, the Applicant's claim 1 and its dependent claims pertain to a "recirculating retainer" system and computerized method that, in one embodiment, provides at a high level for the following (for example as shown on pages 42-43 and in the corresponding flow charts and claims as filed):

- an **organization independent of a law firm** establishes a **client account** (for instance funds held in a bank account) to hold **funds** to be used to pay an agency a fee on behalf of a client, such as for filing a patent application;
- the "retainer" **funds** are provided initially by the client (the funds in this respect are like a retainer, but not necessarily governed by ethics rules that require the firm to manage the funds in a certain way because the **independent organization** as opposed to the law firm is holding the funds);
- a law firm uses these **funds** to pay, for instance but not by way of limitation, a **particular fee** to an agency, as noted above;
- the **independent organization** then invoices the law firm for the amount of the **particular fee** in order to **replenish the funds** for the amount of the **fee**;
- the law firm in turn invoices the client for the amount invoiced by the **independent party**;
- eventually the **client** pays the **law firm**, and the law firm in turn (not necessarily after the client pays) pays the **independent organization**;
- the **independent organization** then puts the **replenished** amount back in the **funds** for the **client**, thereby causing the **recirculation** of the amount used back to the funds.

### §112 Rejection of the Claims

Claims 1-16 were rejected under 35 USC § 112, first paragraph, as failing to comply with the written description requirement. In paragraph 4 of the Office Action, the Examiner alleges that the "claim(s) contain subject matter which was not described in the specification in such a

way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.” In particular, the Office Action alleges that the Applicant’s Specification does not appear to be in agreement with the Applicant’s claim limitations. The Applicant respectfully traverses this rejection.

The operation set forth in pending claim 1, for instance, is described, in part, on pages 7-8 and 42-43 of the Applicant’s specification under the heading “Recirculating Retainer Feature.” In addition, claims 1-48 as filed with the Application on January 29, 1999, and thereby forming a part of the Applicant’s specification, also describe in part the operation of now pending claim 1. In addition, as set forth on pages 7-8 and 42-43 and elsewhere (the Applicant notes that the specification states that the described recirculating retainer feature is “amenable for inclusion with other embodiments of the invention described elsewhere in this application, as those of ordinary skill within the art can appreciate.” As stated on pages 42 and 43, the recirculating retainer features provides as stated therein:

“Referring to FIG. 3(b), in 1000, a charge is issued for a requested fee, associated with a matter of a client of a law firm, for payment to an agency such as the U.S. Patent and Trademark Office. The charge is payable against an account maintained by an organization separate from the firm, and the account itself is for the client. The account is initially funded by the client with a retainer or other payment, so that the account has an initial positive balance against which the charge can be paid.

Thereafter, in 1002, a client invoice is generated that includes the charge for the requested fee. This invoice is sent to the client. The client, in 1004, sends payment for the charge -- even though the charge has been paid already out of funds already sent by the client -- so that the account can be replenished. In this way, the account retains a positive balance, against which other charges can then be made. This continual replenishment of the retainer in the account as charges are made against the retainer is referred to as a recirculating retainer.”

In addition, claims 1-9, 15 and 16 as filed with the Application include the following disclosure in addition to the aforementioned references in the specification:

1. A computer-implemented method for managing patent and trademark fees comprising:  
inputting identification information for a matter of a client of a firm and a requested fee associated with the matter for payment to an agency as data representing the identification information into a computer workstation;

issuing a charge for the requested fee at the computer workstation for transmittal to the agency, the charge payable against an account maintained by an organization separate from the firm for the client, the account initially funded by the client such that the account has a positive balance; and,

generating a client invoice including the charge for the requested fee to replenish the account maintained by the organization so that upon payment by the client the account continually retains a positive balance.

2. The method of claim 1, further comprising:

receiving notice of an event for the matter of the client of the firm that will require a second fee associated with the matter for payment to the agency by a due date;

generating a second client invoice including a charge for the requested fee to pre-fund the account maintained by the organization such that upon payment by the client prior to the due date the account has a sufficient positive balance to cover the second fee.

3. The method of claim 2, wherein the charge included on the second client invoice for the requested fee is less than the requested fee, the account having a positive balance less than the requested fee.

4. The method of claim 2, wherein generating the second client invoice comprises generating the second client invoice at an accounting computer system of the firm.

5. The method of claim 2, wherein generating the second client invoice comprises:  
generating the charge for the requested fee at a fee computer system of the organization;  
transmitting data regarding the charge from the fee computer system to an accounting computer system of the firm; and,  
generating the second client invoice at the accounting computer system.

6. The method of claim 2, wherein receiving notice of the event comprises:  
receiving notice of the event at an accounting computer system of the firm; and,

transmitting data regarding the event from the accounting computer system to a fee computer system of the organization.

7. The method of claim 1, further comprising tracking a payment made by the client as covering one of an already made charge for a requested fee associated with a matter for payment to the agency and a charge to be made for a requested fee associated with a matter for payment to the agency.

8. The method of claim 7, further comprising issuing a refund to the client for regular payment made thereby for charges to be made requested fees associated with a matter for payment to the agency.

9. The method of claim 1, wherein payment made by the client comprises a charging of one of a credit card and a charge card of the client.

15. The method of claim 1, further comprising:

transmitting electronically data representing first information regarding the charge for the requested fee from the computer workstation to a fee computer system maintained by the organization;

inputting second information regarding the charge received from an external source as data representing the second information into the fee computer system; and,

reconciling electronically the data representing the first information regarding the charge with the data representing the second information regarding the charge at the fee computer system.

16. The method of claim 15, further comprising:

generating data representing a fee invoice including the charge at the computer workstation and electronically transmitting the data representing the fee invoice to an accounting computer system maintained by the firm;

generating a firm invoice including the charge at the fee computer system for delivery to the firm,

wherein the client invoice corresponds to the firm invoice such that payment by the client to the firm for the client invoice is used as payment by the firm to the organization for the firm invoice.

Applicant notes that the now pending claim 1 retains certain aspects of original claim 1, as repeated below:

1. (Previously Presented) A computer-implemented method for managing patent and trademark fees comprising:

inputting identification information for a patent or trademark matter of a client of a law firm and a requested fee associated with the matter for payment to an agency as data representing the identification information into a computer system;

deducting a charge for the requested fee against a client account maintained at least in part by an organization separate from the law firm for the client, the client account initially funded by the client such that the client account has a positive balance;

the organization generating a fee invoice to the law firm for the requested fee and transmitting the fee invoice to an accounting computer system used by the law firm;

generating a client invoice from the accounting computer system including a charge to the client for payment of the requested fee, wherein the payment of the requested fee is used to replenish the client account maintained by the organization, wherein the client invoice corresponds to the fee invoice to the law firm such that payment by the client to the law firm for the client invoice provides funds to replenish the client account; and

replenishing the client account with the funds collected from payment of the client invoice for the requested fee.

Aspects carried over from the original claim 1, which corresponds at least in part to the above-noted sections of the Summary and Detailed Description sections of the Specification, include the following concepts:

identifying a patent and trademark matter for which a payment is due to an agency and inputting the information into a computer system;

using an account maintained by a third party to fund the payment;

generating a fee invoice to the law firm for the requested fee and transmitting it to a law firm accounting system;

generating a client invoice from the law firm accounting system, wherein the payment of the requested fee is used to replenish the client account maintained by the organization, wherein the client invoice corresponds to the fee invoice to the law firm such that payment by the client to the law firm for the client invoice provides funds to replenish the client account; and

replenishing the client account with the funds collected from payment of the client invoice for the requested fee.

Thus, the subject matter claimed by the Applicant is found in the claims as filed, which form part of the specification, and also in the sections of the specification noted. Therefore, withdrawal of the subject rejection under Section 112 is hereby requested.

Further, Applicant respectfully submits that the specification does provide enablement commensurate with the scope of claims 1-16. Support for claims 1-16 is found throughout the entirety of the present application. Some examples of this support are as follows:

**Claim 1** is supported at page 7, line 18 – page 8, line 8; page 11, lines 8 – 19; page 12, line 20 – page 13, line 9; page 15, lines 5 – 21; page 19, line 23 – page 20, line 15; page 21, line 7 – page 22, line 15; and page 23, line 8 – page 24, line 1.

**Claim 2** is supported at page 43, line 8 – page 44, line 22.

**Claim 3** is supported at page 44, line 22 – page 45, line 7.

**Claims 4-6** are supported at page 43, line 8 – page 45, line 7.

**Claim 7** is supported at page 47, line 16 – page 50 line 1.

**Claim 8** is supported at page 46, line 10 – page 47, line 3.

**Claim 9** is supported at page 47, lines 4-14.

**Claim 10** is supported at page 47, lines 5-8.

**Claim 11** is supported at page 47, lines 8-10.

**Claim 12** is supported at page 47, lines 11-14.

**Claim 13** is supported at page 47, lines 11-14.

**Claim 14** is supported at page 45, line 10 – page 46, line 9.

**Claim 15** is supported at page 62, line 22 – page 63, line 13.

**Claim 16** is supported at page 19, line 23 – page 20, line 15.

These cited portions of the specification, and referenced figures, among others, enable a person of ordinary skill in the art to make and use the invention commensurate with the scope of claims 1-16.

Claims 1-16 were also rejected under 35 USC § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention. It is believed the Introductory portion of this amendment explains how the system works. The particular scope of the invention claimed is set forth in the claims and the Applicant notes that the invention as claimed may include less particularity as to certain details that are not essential to the general computerized systems and methods taught in the Applicant's Specification. Thus, withdrawal of the § 112, 2<sup>nd</sup> paragraph rejection is respectfully requested.

### §103 Rejection of the Claims

Claims 1-14 were rejected under 35 USC § 103(a) as being unpatentable over Remington et al. (U.S. Patent No. 6,070,150) in view of Brown (WO 96/10235).

Claims 15 and 16 were rejected under 35 USC § 103(a) as being unpatentable over Remington et al. (U.S. Patent No. 6,070,150) in view of Brown (WO 96/10235) further in view of Egendorf (U.S. Patent No. 5,974,221).

Applicant respectfully traverses these rejections because the combination of references fails to teach or suggest all of the claim elements. Further, the problem to be solved by the proposed combination of references is not contemplated by the references.

Remington discusses a system to present bills electronically, such as over the Internet. Brown discusses an automated accounting system for an individual or a business. Egendorf discusses a system in which an Internet service provider bills a customer for various purchases of

third-party vendor products or services, such that the provider pays the vendor the billed amount minus a transaction fee. However, none of these three references contemplate identifying a particular matter of a client of a firm, or any other analogous system in which a regular client of an organization identifies a particular transaction by inputting matter identification. These references further fail to contemplate a firm or functionally similar organization inputting the matter identification and billing information into a computer system, but contemplates only a client's self-initiated online transactions.

These references further fail to contemplate an account maintained by any other organization analogous to the client account maintained separate from the firm in which deposits are made or that is funded to have a positive balance as recited in the claims.

Additionally, the references fail to consider generating an invoice for such services, as neither the services nor account are present, but further fail to consider calculating a bill payable to the account associated with the client in such a way as the account maintains a positive balance.

Thus, the combination of references fails to teach or suggest all the elements of claims 1-16 at least because they fail to contemplate a particular matter of a client of a firm or the arrangement of the law firm, organization, invoicing, and data exchange as presently claimed.

Further, the problems to be solved by the proposed combination of references is not contemplated by the references. The problems to be solved by the present inventive subject matter is discussed in the application and include resolving tax issues with regard to paying client fees and expenses, solving law firm cash flow issues, and eliminating ethical issues that can arise from loaning funds to clients. These problems are not found anywhere within the cited references. Thus, it appears that the Office Action is using Applicant's disclosure and claims as a template in combining references. Or stated otherwise, the Office Action is using impermissible hindsight.

More particularly, none of Remington, Brown or Egendorf mentions, even once, attorneys, lawyers, legal firms or practices, retainers or attorney invoices or bills, nor even the problem of keeping retainers for clients of lawyers and how to replenish them. Contrary to the examiner's position taken on page 4, last paragraph of the Office Action, Brown does not teach "generating a client invoice from the accounting system ..." as it does not mention client even



one time, a client account, an account maintained independently of the law firm, nor other things it is alleged to teach. The official notice taken on page 5 does not remedy the defect in the alleged teaching, which leaves the rejection short of a *prima facie* obviousness rejection due to the factual error in the examiner's position and also in that there is no motivation shown to combine Remington and Brown, and even if there were, the combined teaching would not result in anything to do with lawyers or retainers for clients, by any wild stretch of the imagination.

The same arguments hold for combining Remington, Brown and Egendorf. Again, in short, all three references flat out fail to even mention core limitations in the applicant's claims that restrict those claims to application in a law firm to collect and recirculate a retainer for a client. At the very least, the examiner should cite at least one reference that relates, at least in some obtuse way, the teaching of prior art to the teaching of the applicant's claims. Here, the teaching is tangential to the core of the claimed invention its relevance is highly general and remote in nature. Accordingly, for the same reasons given with respect to the rejection in view of Remington and Brown, the rejection in view of Remington, Brown and Egendorf is also believed to be short of a *prima facie* case because: 1) there is no motivation to combine because the problem solved by the applicant's claimed invention is not even mentioned in any of the references; 2) the references fail to make any reference to key elements of the claimed invention, as noted above; and 3) even if combined, the applicant's invention, as claimed, would not result.

Accordingly, thus, Applicant respectfully requests reconsideration and allowance of claims 1-16.

## 8. SUMMARY

It is respectfully submitted that the art cited does not render the claims obvious as alleged, nor are the 112 rejections sustainable, and therefore the applicant submits that the claims are patentable over the cited art. Reversal of the rejection and allowance of the pending claims are respectfully requested.

Respectfully submitted,

STEVEN LUNDBERG

By his Representatives,

SCHWEGMAN, LUNDBERG, WOESSNER & KLUTH, P.A.

P.O. Box 2938

Minneapolis, MN 55402

Date July 26, 2006 By Ann M. McCrackin  
Ann M. McCrackin  
Reg. No. 42,858

**CERTIFICATE UNDER 37 CFR 1.8:** The undersigned hereby certifies that this correspondence is being filed using the USPTO's electronic filing system EFS-Web, and is addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on this 26 day of July 2006.

Name John Gustaf Whithall

Signature John Gustaf Whithall

### CLAIMS APPENDIX

1. A computer-implemented method for managing patent and trademark fees comprising:  
inputting identification information for a patent or trademark matter of a client of a law firm and a requested fee associated with the matter for payment to an agency as data representing the identification information into a computer system;

deducting a charge for the requested fee against a client account maintained at least in part by an organization separate from the law firm for the client, the client account initially funded by the client such that the client account has a positive balance;

the organization generating a fee invoice to the law firm for the requested fee and transmitting the fee invoice to an accounting computer system used by the law firm;

generating a client invoice from the accounting computer system including a charge to the client for payment of the requested fee, wherein the payment of the requested fee is used to replenish the client account maintained by the organization, wherein the client invoice corresponds to the fee invoice to the law firm such that payment by the client to the law firm for the client invoice provides funds to replenish the client account; and

replenishing the client account with the funds collected from payment of the client invoice for the requested fee.

2. The method of claim 1, further comprising:

receiving notice of an event for the matter of the client of the firm that will require a second fee associated with the matter for payment to the agency by a due date; and

generating a second client invoice including a charge for the requested fee to pre-fund the client account maintained by the organization such that upon payment by the client prior to the due date the client account has a sufficient positive balance to cover the second fee.

3. The method of claim 2, wherein the charge included on the second client invoice for the requested fee is less than the requested fee, the client account having a positive balance less than the requested fee.

4. The method of claim 2, wherein generating the second client invoice comprises generating the second client invoice at an accounting computer system of the firm.
5. The method of claim 2, wherein generating the second client invoice comprises:  
generating the charge for the requested fee at a fee computer system of the organization;  
transmitting data regarding the charge from the fee computer system to an accounting computer system of the firm; and  
generating the second client invoice at the accounting computer system.
6. The method of claim 2, wherein receiving notice of the event comprises:  
receiving notice of the event at an accounting computer system of the firm; and  
transmitting data regarding the event from the accounting computer system to a fee computer system of the organization.
7. The method of claim 1, further comprising tracking a payment made by the client as covering one of an already made charge for a requested fee associated with a matter for payment to the agency and a charge to be made for a requested fee associated with a matter for payment to the agency.
8. The method of claim 7, further comprising issuing a refund to the client for regular payment made thereby for charges to be made requested fees associated with a matter for payment to the agency.
9. The method of claim 1, wherein payment made by the client comprises a charging of one of a credit card and a charge card of the client.
10. The method of claim 9, wherein the charging is automatic.

11. The method of claim 9, wherein the one of the credit card and the charge card comprises one of a Visa card, a MasterCard card, an American Express card, an Optima card, and a Discover card.

12. The method of claim 9, wherein the one of the credit card and the charge card of the client is sponsored by the organization.

13. The method of claim 9, wherein the one of the credit card and the charge card of the client is issued by the organization.

14. The method of claim 1, further comprising:  
 computing interest on a positive balance of the client account to be paid to the client;  
 determining whether on average the client account has a positive balance; and  
 upon determining that on average the client account has a positive balance, providing for no cost issuance of the charge for the requested fee for transmittal to the agency.

15. The method of claim 1, further comprising:  
 transmitting electronically data representing first information regarding the charge for the requested fee from the computer system to a fee computer system maintained by the organization;

inputting second information regarding the charge received from an external source as data representing the second information into the fee computer system; and

reconciling electronically the data representing the first information regarding the charge with the data representing the second information regarding the charge at the fee computer system.

16. The method of claim 15, further comprising:  
 generating data representing a fee invoice including the charge at the computer system and electronically transmitting the data representing the fee invoice to an accounting computer system maintained by the firm;

generating a firm invoice including the charge at the fee computer system for delivery to the firm; and

wherein the client invoice corresponds to the firm invoice such that payment by the client to the firm for the client invoice is used as payment by the firm to the organization for the firm invoice.

**EVIDENCE APPENDIX**

None.

**RELATED PROCEEDINGS APPENDIX**

None.